Amendments to the Specification:

Please amend the paragraph beginning on page 2, line 14, as follows:

In some situations, as described in the co-pending application of the same inventor entitled "Reduction of Color Transition Distortions in NTSC/PAL Encoder, " **now U.S. Patent No. 5,995,164,** incorporated herein by reference, it is beneficial to use the hue phase change between the pixel values which gives the minimum absolute value of the phase change. For example, a phase change from $\frac{1}{4}\pi$ to $7/4\pi$ produces a $3/2\pi$ phase change. By using the phase change from $\frac{1}{4}\pi$ to $-\frac{1}{4}\pi$ instead, the change in the hue is only $-\frac{1}{2}\pi$ and the color distortion between pixels is reduced.

Please amend the paragraph beginning on page 3, line 31, as follows:

Figure 6**C** is an input to the phase corrector circuitry;

Please amend the paragraphs beginning on page 5, line 21, and ending on page 6, line 2, as follows:

Figure 4 illustrates a preferred embodiment of the circuitry 50 of the present invention. The circuitry 50 includes differential phase circuitry 60, which converts the hue input into a differential phase output, along with the special filter 62 of the present invention. Also shown is the correction signal circuitry **54**64 used to produce the unfiltered correction signal for the filter 62.

A preferred embodiment of the differential phase circuitry 60 is shown in Figure 5. The differential phase circuitry is also discussed and claimed in

a**the** co-pending application entitled "Reduction of Color Transition Distortions in NTSC/PAL Encoder" by inventor Anatoliy V. Tsyrganovich**, now U.S. Patent No. 5,995,164**. Also incorporated by reference is the co-pending application "Dot Crawl Reduction in NTSC/PAL Graphic Encoder," by inventor Anatoliy V. Tsyrganovich**, now U.S. Patent No. 6,163,346**.

Please amend the paragraph beginning on page 7, line 1, as follows:

Figure 5 is a ~~graph~~**diagram** of the differential phase circuitry 60. This circuitry 60 uses differential circuitry 90 to provide a differential or delta hue signal. This delta hue signal is modified in circuitry 92 to produce the modified delta hue output. The absolute value of the delta hue is compared to a reference value. If the absolute value of the delta hue is greater than a reference value, then a modified value is sent through multiplexer 94 to be added to the delta hue in adder 96 to produce the modified delta hue output.